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Approved May 1, 1991

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**CHAPTER 96**

**PUBLIC RECORDS – CLAIMS SETTLEMENTS**

*S.F. 327*

**AN ACT** requiring that certain settlements of claims involving governmental bodies be filed with the governmental bodies as public records.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. **NEW SECTION. 22.13 SETTLEMENTS – GOVERNMENTAL BODIES.**

A written summary of the terms of settlement, including amounts of payments made to or through a claimant, or other disposition of any claim for damages made against a governmental body or against an employee, officer, or agent of a governmental body, by an insurer pursuant to a contract of liability insurance issued to the governmental body, shall be filed with the governmental body and shall be a public record.

Approved May 2, 1991

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**CHAPTER 97**

**NONSUBSTANTIVE CORRECTIONS**

*H.F. 198*

**AN ACT** relating to nonsubstantive Code and Act corrections.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 2A.2, Code 1991, is amended to read as follows:

**2A.2 TERMS.**

Members of the commission shall serve for a term of office of five years, and for the initial commission, one member appointed by each shall be appointed to serve for five years, one for four years, one for three years, one for two years, and one for one year. ~~Vacancies~~ A vacancy on the commission shall be filled for the unexpired term in the same manner as the original appointment ~~was made~~.

Sec. 2. Section 7.14, subsection 2, Code 1991, is amended to read as follows:

2. The finding of or failure to find a disability shall be immediately made public, and in case if the governor is found to be unable to discharge the duties of the office, the person next in line of succession to the office of governor shall be immediately notified. After receiving the notification ~~such~~ that person may, under Article IV, ~~section 17, and amendment 2 of 1952 sections 17 and 19, Constitution of the State of Iowa,~~ become governor until the disability ~~be~~ is removed.

Sec. 3. Section 12.51, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The treasurer of state shall adopt rules to implement a main street linked investments loan program to increase the availability of lower cost funds to stimulate building restorations or rehabilitations of historic buildings within the central business district of a city which is a certified local government, or in the Iowa main street program or, if enacted by the Seventy-third General Assembly, in the rural main street program. The rules shall include the following conditions:

Sec. 4. Section 18.18, subsection 1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

When purchasing paper products, the department of general services shall, ~~whenever~~ when the price is reasonably competitive and the quality as intended, purchase the recycled product. The department of general services shall also purchase, ~~whenever~~ when the price is reasonably competitive and the quality as intended, and in keeping with the schedule established in this subsection, soybean-based inks and starch-based plastics, including but not limited to starch-based plastic garbage can liners.

Sec. 5. Section 18.75, subsection 2, Code 1991, is amended to read as follows:

2. Have charge of the office equipment and supplies of the ~~printing board~~ and of the stock, if any, required in connection with printing contracts.

Sec. 6. Section 93.40, subsection 7, unnumbered paragraph 1, Code 1991, is amended to read as follows:

For purposes of this section ~~and section 93.41~~:

Sec. 7. Section 103A.5, subsection 5, Code 1991, is amended to read as follows:

5. Administer and enforce the ~~provisions of chapter~~ chapters 104A and 104B.

Sec. 8. Section 116.2, unnumbered paragraph 1, Code 1991, is amended to read as follows:

As used in this chapter unless the context otherwise requires: "Accounting practitioner" means a person licensed by the board as provided in this chapter, who does not hold a certificate as a certified public accountant or ~~public accountant~~ under this chapter, and who offers to perform or performs for the public, and for compensation, any of the following services:

Sec. 9. Section 116.3, subsections 3 through 6, Code 1991, are amended to read as follows:

3. All fees and other moneys received by the board, pursuant to the ~~provisions of this chapter~~, shall be paid monthly to the treasurer of state for deposit in the professional licensing revolving fund.

The board shall make a biennial report to the governor of its proceedings, with an account of all moneys received and disbursed, a list of the names of certified public accountants, ~~public accountants~~, and accounting practitioners whose certificates, permits to practice, or licenses have been revoked or suspended, and ~~such~~ other information as it ~~may deem~~ deems proper or the governor requests.

4. The board may ~~promulgate~~ adopt rules of professional conduct appropriate to establishing and maintaining high standards of integrity and dignity in the practice as a certified public accountant, ~~public accountant~~, or accounting practitioner. Rules shall be adopted relating to the following matters:

a. ~~Rules relating to the~~ The propriety of opinions on financial statements by a certified public accountant or ~~public accountant~~ who is not independent.

b. Actions discreditable to the practice as a certified public accountant, ~~public accountant~~, or accounting practitioner.

c. ~~Rules relating to the~~ The professional confidences between a certified public accountant, ~~public accountant~~, or accounting practitioner and a client.

d. Contingent fees.

e. ~~Rules relating to technical~~ Technical competence and the expression of opinions on financial statements.

f. ~~Rules relating to the~~ The failure to disclose a material fact known to the certified public accountant or ~~public accountant~~, or accounting practitioner.

g. ~~Rules relating to material~~ Material misstatement known to the certified public accountant, ~~public accountant~~, or accounting practitioner.

h. ~~Rules relating to negligent~~ Negligent conduct in an examination or in making a report on an examination.

i. ~~Rules relating to the failure~~ Failure to direct attention to any material departure from generally accepted accounting principles.

5. A certified public accountant, ~~public accountant~~, or accounting practitioner shall not commit and shall not permit associates or persons who are under the accountant's or practitioner's supervision to commit any of the following acts:

a. Pay a commission, brokerage, or other participation in the fees or profits of professional work directly or indirectly to the laity.

b. Directly or indirectly accept commission, brokerage, or other participation in the fees, charges, or profits of work recommended or turned over to the laity as incident to services for clients.

c. Permit others to carry out on behalf of the accountant or practitioner, either with or without compensation, acts which, if carried out by the accountant or practitioner, would place that person in violation of rules of the board adopted pursuant to this chapter.

6. The board shall establish rules relative to the conduct of practice as a certified public accountant, ~~public accountant~~, and accounting practitioner in respect to the enumerated items in subsections 4 and 5, but ~~such this~~ this direction ~~shall is~~ is not be construed as a limitation upon the rights of the board to make and adopt any rules and regulations relating to the ~~rules of~~ rules of conduct of certified public accountants, ~~public accountants~~, or accounting practitioners, which are not specifically enumerated in this chapter.

Sec. 10. Section 116.8, subsection 1, Code 1991, is amended to read as follows:

1. If the applicant has had two or more years actual experience in practice as an accounting practitioner as an employee of a certified public accountant, a ~~public accountant~~, or an accounting practitioner, or

Sec. 11. Section 116.15, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Staff may be employed to collect and account for all fees and pay them to the treasurer of state for deposit as provided by law. The board shall set the fees for examination as a certified public accountant, and for examination as an accounting practitioner, based upon the annual cost of administering the examinations. The fees for registration and renewal of a certificate and permit as a certified public accountant, ~~registration as a public accountant~~, registration of a foreign public accountant, and licensure and renewal as an accounting practitioner, shall be based upon the administrative costs of sustaining the board which shall include, but are not limited to, the costs for:

Sec. 12. Section 116.19, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Each office established or maintained in this state for the practice of public accounting in this state by a certified public accountant, or partnership or corporation of certified public accountants, ~~or by a public accountant or a partnership of public accountants~~, or by an accounting practitioner or partnership of accounting practitioners, or by a person registered under section 116.17, shall be registered annually under this chapter with the board, but no fee shall be charged for ~~such~~ the registration.

Sec. 13. Section 116.20, subsection 1, Code 1991, is amended to read as follows:

1. The certificate of certified public accountant granted by the board under section 116.5 ~~and the registration with the board as a public accountant under section 116.6~~, and the license to practice as an accounting practitioner under section 116.7 or 116.8 shall be renewed as determined by the board. There shall be a renewal fee, in the amount to be determined from time to time by the board. The board shall give notice by restricted certified mail, return receipt

requested, to the holder of a certificate, ~~registration~~, or license who has failed to renew it. If the holder fails to renew the certificate, ~~registration~~, or license within thirty days of receipt of the notice, the certificate, ~~registration~~, or license lapses and is void.

Sec. 14. Section 116.20, subsection 2, paragraph a, Code 1991, is amended to read as follows:

a. Persons holding the certificate of certified public accountant on July 1, 1975, and who have had three years' continuous practical accounting experience as a ~~public accountant~~ or a staff accountant, or three years' continuous employment as a field examiner under a revenue agent-in-charge of the income tax bureau of the treasury department of the United States, or as a field examiner in the office of the auditor of state, department of management, department of revenue and finance, or the insurance division of the department of commerce, of this state, or a bank examiner employed by the banking division of the department of commerce of this state pursuant to section 524.208 shall be issued permits by the board.

Sec. 15. Section 116.20, subsections 3 through 5, Code 1991, are amended to read as follows:

3. Permits to engage in the practice of public accounting in this state shall also be issued by the board to persons, partnerships, and corporations registered under sections ~~116.6~~, 116.17 and 116.18 if all offices of the registrant are maintained and registered as required under section 116.19.

4. There shall be a permit fee in an amount to be determined by the board, payable by certified public accountants, ~~public accountants~~, and accounting practitioners engaged in practice in this state. A fee shall not be charged for the renewal of a partnership or corporation permit to practice. All permits shall expire as determined by the board.

5. ~~No~~ A person, firm, or corporation shall ~~not~~ practice as a certified public accountant, ~~public accountant~~, or accounting practitioner without a permit.

Sec. 16. Section 116.21, unnumbered paragraph 1 and subsections 1 and 8, Code 1991, are amended to read as follows:

After notice and hearing as provided in section 116.23, the board may revoke or may suspend for a period not to exceed two years, ~~any~~ a certificate issued under section 116.5, ~~or any registration granted under section 116.6~~, or ~~any~~ a license issued under section 116.7 or 116.8, or may revoke, suspend, or refuse to renew ~~any~~ a permit issued under section 116.20, or may censure the holder of ~~any such~~ a permit, for any one or any combination of the following causes:

1. The certificate, permit, or license shall be permanently revoked if fraud or deceit was used in obtaining a certificate as a certified public accountant, ~~registration as a public accountant~~, or a license as an accounting practitioner, or in obtaining a permit to practice public accounting under this chapter.

8. Cancellation, revocation, suspension, or refusal to renew the authority to practice as a certified public accountant, ~~a public accountant~~, or an accounting practitioner by any other state, for any cause other than failure to pay appropriate fees in the other state.

Sec. 17. Section 116.23, subsection 4, Code 1991, is amended to read as follows:

4. At any hearing the accused may appear in person and by counsel, produce evidence and witnesses on behalf of the accused, cross-examine witnesses, and examine evidence which is produced against the accused. A corporation may be represented before the board by counsel, or by ~~a~~ a shareholder who is a certified public accountant, ~~public accountant~~, or accounting practitioner of this state in good standing. The accused shall be is entitled, on application to the board, to the issuance of subpoenas to compel the attendance of witnesses on behalf of the accused.

Sec. 18. Section 116.25, subsections 3, 4, and 10, Code 1991, are amended to read as follows:

3. ~~No~~ A person shall ~~not~~ assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that ~~such~~ the person is a public accountant, ~~unless such person is registered as a public accountant under section 116.6~~, or unless ~~such~~ the person has received a certificate as a certified public accountant under section 116.5.

4. No A partnership or corporation shall not assume or use the title or designation "public accountant" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that ~~such~~ the partnership or corporation is composed of certified public accountants, unless ~~such~~ the partnership or corporation is registered as a partnership or corporation of public accountants under section 116.6, or as a partnership or corporation of certified public accountants under section 116.18.

10. No A person shall not assume or use the title or designation "certified public accountant" or "public accountant" in conjunction with names indicating or implying that there is a partnership or corporation or in conjunction with the designation "and company", ~~and~~ "and co.", or a similar designation, if in any such case, there is in fact no bona fide partnership or corporation registered under section 116.6 ~~or~~ 116.18; however, a sole proprietor or partnership lawfully using such a title or designation on July 1, 1975, may continue to do so if the sole proprietor or partnership otherwise complies with the provisions of this chapter.

Sec. 19. Section 116.26, Code 1991, is amended to read as follows:

116.26 EMPLOYEES OF ACCOUNTANTS.

~~Nothing contained in this~~ This chapter shall does not prohibit any person not a certified public accountant, ~~public accountant~~, or accounting practitioner from serving as an employee of, or an assistant to, a certified public accountant, ~~public accountant~~, or accounting practitioner, or partnership or corporation composed of certified public accountants, ~~public accountants~~, or accounting practitioners, holding a permit to practice issued under section 116.20, or a foreign accountant registered under section 116.17; however, ~~such~~ the employee or assistant shall not issue any accounting or financial statement over the employee's or assistant's name.

Sec. 20. Section 116.31, unnumbered paragraph 1, Code 1991, is amended to read as follows:

All statements, records, schedules, working papers, and memoranda made by a certified public accountant, ~~public accountant~~, or accounting practitioner incident to or in the course of professional service to clients by ~~such~~ the accountant, except reports submitted by a certified public accountant, ~~public accountant~~, or accounting practitioner to a client, ~~shall be and~~ remain the property of ~~such~~ the accountant in the absence of an express agreement between ~~such~~ the accountant and the client to the contrary.

Sec. 21. Section 117.47, subsection 2, is amended to read as follows:

2. ~~Except as otherwise provided in subsection 7,~~ The commission shall contract with an insurance provider for a group policy under which coverage is available to all licensees. The contract shall be solicited by competitive, sealed bid.

Sec. 22. Section 123.32, subsection 3, Code 1991, is amended to read as follows:

3. Licensed premises for local events. A local authority may define, by motion of the local authority, licensed premises which shall be used by holders of liquor control licenses, beer permits, and wine permits at festivals, fairs, or celebrations which are sponsored or authorized by the local authority. The licensed premises defined by motion of the local authority shall be used by the holders of five-day or fourteen-day liquor control licenses, ~~five-day or fourteen-day wine permits,~~ or five-day or fourteen-day beer permits only.

Sec. 23. Section 123.34, subsection 3, Code 1991, is amended to read as follows:

3. The fee for a fourteen-day liquor license or beer permit is one quarter of the annual fee for that class of liquor license, ~~wine permit,~~ or beer permit. The fee for the privilege to sell on the two Sundays in the fourteen-day period is twenty percent of the price of the fourteen-day liquor license, ~~wine permit,~~ or beer permit.

Sec. 24. Section 198.3, subsection 1, Code 1991, is amended to read as follows:

1. "Brand name" means any word, name, symbol, or device or any combination thereof, identifying the commercial feed of a distributor ~~or registrant~~ and distinguishing it from that of others.

Sec. 25. Section 198.5, subsection 2, paragraph d, Code 1991, is amended to read as follows:

d. The product name and brand name, if any, and the net weight of each registered commercial feed used in the mixture, and the net weight of each other ingredient used.

Sec. 26. Section 198.9, subsection 2, paragraph b, unnumbered paragraph 2, Code 1991, is amended to read as follows:

Failure to make an accurate statement of tonnage or to pay the inspection fee or comply as provided herein shall constitute in this section is sufficient cause for the cancellation of all registrations on file for the license of the distributor.

Sec. 27. Section 198.10, subsection 2, Code 1991, is amended to read as follows:

2. Before the issuance, amendment, or repeal of any a rule authorized by this chapter, the secretary shall publish the proposed rule, amendment, or notice to repeal an existing rule in a manner reasonably calculated to give interested parties, including all current registrants licensees, adequate notice, and shall afford all interested persons an opportunity to be heard, orally or in writing, within a reasonable period of time. After consideration of all views presented by interested persons, the secretary shall take appropriate action to issue the proposed rule or to amend or repeal an existing rule. The provisions of this subsection notwithstanding However, if the secretary, pursuant to the authority of this chapter, adopts the official definitions of feed ingredients or official feed terms as adopted by the Association association of American Feed Control Officials feed control officials, or rules regulations promulgated pursuant to the authority of the federal Food, Drug, and Cosmetic Act, any amendment or modification adopted by said that association, or by the secretary of health, education and welfare and human services in the case of regulations promulgated pursuant to the federal Food, Drug and Cosmetic Act, shall be adopted automatically under this chapter without regard to publication of the notice required by this subsection, unless the secretary, by order specifically determines that said an amendment or modification shall not be adopted.

Sec. 28. Section 198.12, subsection 1, Code 1991, is amended to read as follows:

1. When the secretary or the secretary's authorized agent has reasonable cause to believe any lot of commercial feed is being distributed in violation of any of the provisions of this chapter or of any of the prescribed rules adopted under this chapter, the secretary or agent may issue and enforce a written or printed "withdrawal from distribution" order, warning the distributor not to dispose of the lot of commercial feed in any manner until written permission is given by the secretary or the court. The secretary shall release the lot of commercial feed so withdrawn when said the provisions and rules have been complied with. If compliance is not obtained within thirty days, the secretary may begin, or upon request of the distributor or registrant shall begin, proceedings for condemnation.

Sec. 29. Section 198.15, Code 1991, is amended to read as follows:

#### 198.15 PUBLICATION.

The secretary shall publish at least annually, in such forms as the secretary may deem deems proper, information concerning the sales of commercial feeds, together with such data on their production and use as the secretary may consider considers advisable, and a report of the results of the analyses of official samples of commercial feeds sold within the state as compared with the analyses guaranteed in the registration and on the label. Provided, that However, the information concerning production and use of commercial feed shall not disclose the operations of any person.

Sec. 30. Section 235A.15, subsection 2, paragraph e, subparagraph (3), Code 1991, is amended to read as follows:

(3) To the department of public safety justice for the sole purpose of the filing of a claim for reparation pursuant to section 910A.5 and section 912.4, subsections 3 through 5.

Sec. 31. Section 235C.3, subsection 4, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The council shall seek to improve effective treatment services within the state for chemically exposed infants. As part of this responsibility, the council shall make recommendations to the addiction treatment effectiveness advisory council established in section 125.15A. Such recommendations which shall include, but are not limited to, the following:

Sec. 32. Section 249A.4, subsection 13, Code 1991, is amended by striking the subsection.

Sec. 33. Section 252B.1, unnumbered paragraph 1, Code 1991, is amended to read as follows: As used in sections 252B.2 to 252B.10 this chapter, unless the context otherwise requires:

Sec. 34. Section 255.16, Code 1991, is amended to read as follows:  
255.16 COUNTY QUOTAS.

Subject to subsequent qualifications in this section, there shall be treated at the university hospital during each fiscal year a number of committed indigent patients from each county which bears the same relation to the total number of committed indigent patients admitted during the year as the population of the county bears to the total population of the state according to the last preceding official census. This standard shall apply applies to indigent patients, the expenses of whose commitment, transportation, care, and treatment shall be are borne by appropriated funds, and shall does not govern the admission of obstetrical patients under chapter 255A, or obstetrical or orthopedic patients under this chapter in accordance with eligibility standards pursuant to section 255A.5. If the number of patients admitted from any county exceeds by more than ten percent the county quota as fixed and ascertained under the first sentence of this section, the charges and expenses of the care and treatment of such the patients in excess of ten percent of the quota shall be paid from the funds of such the county at actual cost; but if the number of excess patients from any county does not exceed ten percent, all costs, expenses, and charges incurred in their behalf shall be paid from the appropriation for the support of the hospital. Notwithstanding the quota established for a county under this section, the governor, upon a finding of necessity due to a regional or statewide economic emergency, may increase a county's quota of the number of committed indigent patients admitted to the university hospital.

Sec. 35. Section 255.27, Code 1991, is amended to read as follows:  
255.27 FACULTY TO PREPARE BLANKS — PRINTING.

The medical faculty of the state university hospital shall from time to time prepare blanks containing such questions and requiring such information as may, in its judgment, be that it finds necessary and proper to be obtained by the physician who examines such a patient under order of court. Such The blanks shall be printed by the state, and a sufficient supply thereof shall be furnished by the state board superintendent of printing to the clerk of each juvenile court in the state. The cost of printing said the blanks shall be audited, allowed, and paid in the same manner as other bills for public printing.

Sec. 36. Section 262.9, subsection 4, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Manage and control the property, both real and personal, belonging to the institutions. The board shall purchase or require the purchase of, whenever when the price is reasonably competitive and the quality as intended, and in keeping with the schedule established in this subsection, soybean-based inks and starch-based plastics, including but not limited to starch-based plastic garbage can liners.

Sec. 37. Section 262A.6A, subsection 1, Code 1991, is amended to read as follows:

1. The board shall issue bonds authorized under section 262A.4 by the Seventy-second General Assembly in an amount not exceeding nineteen million dollars; and from the forty-one million three hundred thousand dollars authorized by 1990 Iowa Acts, House Concurrent Resolution 133, if approved by the governor chapter 1273, in an amount not exceeding fifteen million dollars; in the form of capital appreciation bonds as provided in this section rather than the form prescribed in sections 262A.5 and 262A.6. The capital appreciation bonds shall be designed to be marketed primarily to Iowans to facilitate savings for future higher education costs.

Sec. 38. Section 273.9, subsections 4 and 5, Code 1991, are amended to read as follows:

4. The costs of media services provided through the area education agency ~~shall be funded as provided in section 257.37.~~ Media services shall not be funded until the program plans submitted by the administrators of each area education agency as required by section 273.4 are modified as necessary and approved by the director of the department of education according to the criteria and limitations of ~~sections 257.37 and section 273.6.~~

5. The costs of educational services provided through the area education agency shall be funded within the limitations in ~~section 257.37.~~

Sec. 39. Section 273.12, Code 1991, is amended to read as follows:

273.12 FUNDS — USE RESTRICTED.

Funds generated for educational services ~~under section 257.37 and subject to approval under section 273.9, subsection 5,~~ shall not be expended by an area education agency for the purpose of assisting either a public employer or employee organization in collective bargaining negotiations under chapter 20 if the public employer is a school district, or the employee organization consists of employees of a school district, located within the boundaries of the area education agency.

Sec. 40. Section 303.89, subsection 1, Code 1991, is amended to read as follows:

1. The Iowa arts and culture challenge grant foundation is established. The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential governmental function. As used in this ~~chapter~~ subchapter, "foundation" means the Iowa arts and culture challenge grant foundation.

Sec. 41. Section 305A.7, Code 1991, is amended to read as follows:

305A.7 REINTERRING ANCIENT REMAINS.

The state archaeologist ~~shall have~~ has the primary responsibility for investigating, preserving, and reinterring discoveries of ancient human remains. For the purposes of this section, ancient human remains ~~shall be~~ are those remains found within the state which are more than one hundred fifty years old. The state archaeologist shall make arrangements for the services of a forensic osteologist in studying and interpreting ancient burials and may designate other qualified archaeologists to assist the state archaeologist in recovering physical and cultural information about the ancient burials. The state archaeologist shall file with the Iowa department of public health a written report containing both physical and cultural information regarding the remains at the conclusion of each investigation. ~~[Appropriations to the state board of regents] to be used by the state archaeologist in investigating, reporting upon and interring ancient human remains pursuant to this section.~~

Sec. 42. Section 307.21, subsection 4, paragraph a, Code 1991, is amended to read as follows:

a. Provide centralized purchasing services for the department, in co-operation with the department of general services. The administrator shall, ~~whenever~~ when the price is reasonably competitive and the quality as intended, purchase soybean-based inks and starch-based plastics, including but not limited to starch-based garbage can liners, and shall purchase these items in accordance with the schedule established in section 18.18. However, the administrator need not purchase garbage can liners in accordance with the schedule if the liners are utilized by a facility approved by the environmental protection commission created under section 455A.6, for purposes of recycling.

Sec. 43. NEW SECTION. 321.18A RECORDS OF IMPLEMENTS OF HUSBANDRY.

A person selling at retail new implements of husbandry with a retail list price in excess of five thousand dollars upon which the manufacturer has affixed a vehicle identification number, shall maintain for ten years a record of the number, the name and address of the purchaser, and the date of sale.

Sec. 44. Section 321.100, unnumbered paragraph 2, Code 1991, is amended by striking the unnumbered paragraph.

Sec. 45. Section 421.27, subsection 4, unnumbered paragraph 2, Code 1991, is amended to read as follows:

The penalties imposed under this ~~section~~ subsection are not subject to waiver.

Sec. 46. Section 422.45, subsection 5, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The gross receipts ~~or~~ from services rendered, furnished, or performed and of all sales of goods, wares, or merchandise used for public purposes to ~~any~~ a tax-certifying or tax-levying body of the state or a governmental subdivision of the state, including regional transit systems, as defined in section 601J.1, the state board of regents, state department of human services, state department of transportation, any municipally owned solid waste facility which sells all or part of its processed waste as fuel to a municipally owned public utility, and all divisions, boards, commissions, agencies, or instrumentalities of state, federal, county, or municipal government which have no earnings going to the benefit of an equity investor or stockholder, except sales of goods, wares, or merchandise or from services rendered, furnished, or performed and used by or in connection with the operation of any municipally owned public utility engaged in selling gas, electricity, or heat to the general public.

Sec. 47. Section 422.74, Code 1991, is amended to read as follows:

**422.74 CERTIFICATION OF REFUND.**

~~Wherever~~ ~~If~~ a refund is authorized in any division of this chapter a refund is authorized, the director shall certify the amount of the refund and the name of the payee to the state comptroller. ~~Upon certification from the director, the state comptroller shall and~~ draw a warrant on the state general fund of the state in the amount specified payable to the named payee, and the state treasurer of state shall pay the same warrant.

Sec. 48. Section 425.1, subsection 3, Code 1991, is amended to read as follows:

3. The amount due each county shall be paid by the state comptroller ~~upon requisition of the director of revenue~~ in two payments on November 15 and March 15 of each fiscal year, drawn upon warrants payable to the respective county treasurers. The two payments shall be as nearly equal as possible.

Sec. 49. Section 425.2, unnumbered paragraph 2, Code 1991, is amended to read as follows:

Upon the filing and allowance of the claim, the claim shall be allowed on that homestead for successive years without further filing as long as the property is legally or equitably owned and used as a homestead by that person or that person's spouse on July 1 of each of those successive years, and the owner of the property being claimed as a homestead declares residency in Iowa for purposes of income taxation, and the property is occupied by that person or that person's spouse for at least six months in each of those calendar years in which the ~~tax~~ fiscal year begins. When the property is sold or transferred, the buyer or transferee who wishes to qualify shall refile for the credit. However, when the property is transferred as part of a distribution made pursuant to chapter 598, the transferee who is the spouse retaining ownership of the property is not required to refile for the credit. Property divided pursuant to chapter 598 shall not be modified following the division of the property. An owner who ceases to use a property for a homestead or intends not to use it as a homestead for at least six months in a calendar year shall provide written notice to the assessor by July 1 following the date on which the use is changed. A person who sells or transfers a homestead or the personal representative of a deceased person who had a homestead at the time of death, shall provide written notice to the assessor that the property is no longer the homestead of the former claimant.

Sec. 50. Section 425.11, subsection 1, paragraph a, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The homestead ~~must include~~ includes the dwelling house which the owner, in good faith, is occupying as a home on July 1 of the year for which the credit is claimed and occupies as a home for at least six months during the calendar year in which the ~~tax~~ fiscal year begins, except as otherwise provided.

Sec. 51. Section 425A.4, subsection 1, Code 1991, is amended to read as follows:

1. The family farm tax credit allowed on agricultural land under section 425A.3, subsection 1, shall only be granted upon tracts of agricultural land on which the persons designated in section 425A.3, subsection 2, paragraphs "a", "b", "c", and "d" were actively engaged in farming, and for which the persons have filed an application for the credit for each tract. To apply for the credit, the person shall each year on or before October 1 deliver to the county assessor, on forms furnished by the assessor, a verified statement and designation of the tracts of agricultural land for which the credit is claimed. The ~~auditor~~ assessor shall return the statement and designation on October 15 of each year to the county board of supervisors with a recommendation for allowance or disallowance. However, the deadline for filing claims in the 1990 calendar year shall be is December 1, 1990, and the assessor shall return the statements and designations to the county board of supervisors on December 15, 1990.

Sec. 52. Section 427.1, subsection 18, Code 1991, is amended to read as follows:

18. Fraternal beneficiary funds. The accumulations and funds held or possessed by fraternal beneficiary associations for the purposes of paying the benefits contemplated by section ~~512.2~~, 512B.16, or for the payment of the expenses of ~~such~~ the associations.

Sec. 53. Section 427.1, subsection 37, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Land designated as native prairie or land designated as a protected wetland by the department of natural resources pursuant to section 108.12. Application for the exemption shall be made on forms provided by the department of revenue and finance. Land designated as a protected wetland shall be assessed at a value equal to the average value of the land where the wetland is located and which is owned by the person granted the exemption. The application forms shall be filed with the assessing authority not later than the first of February of the year for which the exemption is requested. The application must be accompanied by an affidavit signed by the applicant that if the exemption is granted, the property will not be used for economic gain during the assessment year in which the exemption is granted. If the property is used for economic gain during the assessment year in which the exemption is granted, the property shall lose its tax exemption and shall be taxed at the rate levied by the county for the fiscal year beginning in that assessment year. The first annual application shall be accompanied by a certificate from the department of natural resources stating that the land is native prairie or protected wetland. The department of natural resources shall issue a certificate for the native prairie exemption if the ~~board or~~ department finds that the land has never been cultivated, is unimproved, is primarily a mixture of warm season grasses interspersed with flowering plants, and meets the other criteria established by the natural resource commission for native prairie. The department of natural resources shall issue a certificate for the wetland exemption if the department finds the land is a protected wetland, as defined under section 108.1, or if the wetland was previously drained and cropped but has been restored under a nonpermanent restoration agreement with the department or other county, state, or federal agency or private conservation group. A taxpayer may seek judicial review of a decision of the department according to chapter 17A. The natural resource commission shall adopt rules to implement this subsection.

Sec. 54. Section 490.632, subsection 2, unnumbered paragraph 1 and paragraph a, Code 1991, are amended to read as follows:

~~When~~ If a corporation reacquires its own shares after December 30, 1989, but ~~prior to~~ before January 1, 1991, those shares shall constitute issued but not outstanding shares as of and after their reacquisition if either of the following is applicable:

a. If ~~When~~ the shares are reacquired, the articles of incorporation contain a provision specifying that reacquired shares constitute issued but not outstanding shares.

Sec. 55. Section 508C.16, unnumbered paragraph 2, Code 1991, is amended to read as follows:

~~The provisions of section 496A.4A shall~~ Sections 490.850 through 490.858 apply to the association.

Sec. 56. Section 512B.15, subsection 2, Code 1991, is amended to read as follows:

2. If the commissioner finds that the contract is in conformity with this section, that the financial statements are correct, and that the consolidation or merger is just and equitable to the members of each society, the commissioner shall approve the contract and issue a certificate to that effect. Upon the commissioner's approval, the contract shall be in full force and effect unless a society which is a party to the contract is incorporated under the laws of another state, Canada, or Canadian province or territory. In that event the consolidation or merger shall not become effective unless and until it has been approved as provided by the laws of the other state and a certificate of approval has been filed with the commissioner of this state or, if the laws of the other state contain no equivalent provision for issuing a certificate of consolidation or merger, then the consolidation or merger shall not become effective unless and until it has been approved by the commissioner of the other state and a certificate conforming with the laws of this state has been filed with the commissioner. If the contract is not approved it shall be inoperative, and the fact of submission and its contents shall not be disclosed by the commissioner. For the purposes of this subsection, "state" includes Canada and Canadian provinces and territories.

Sec. 57. Section 522.1, unnumbered paragraph 1, Code 1991, is amended to read as follows:

A person shall not, directly or indirectly, act within this state as agent, or otherwise, in receiving or procuring applications for insurance, or in doing or transacting any kind of insurance business for a company or association unless exempt from the provisions of this chapter by section ~~512.33~~ 512B.31, except that the licensing of persons so acting for county mutuals is subject only to section 518.16, until the person has procured a license from the commissioner of insurance.

Sec. 58. Section 546.7, Code 1991, is amended to read as follows:

#### 546.7 UTILITIES DIVISION.

The utilities division shall regulate and supervise public utilities operating in the state. The division shall enforce and implement chapters 476, 476A, 478, and 479, and 479A and shall perform other duties assigned to it by law. The division is headed by the administrator of public utilities who shall be appointed by the governor pursuant to section 474.1.

Sec. 59. Section 601L.3, subsection 12, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Manage and control the property, both real and personal, belonging to the department. The commission shall, according to the schedule established in this subsection, whenever when the price is reasonably competitive and the quality as intended, purchase soybean-based inks and starch-based plastics, including but not limited to starch-based garbage can liners.

Sec. 60. Section 616.10, Code 1991, is amended to read as follows:

#### 616.10 INSURANCE COMPANIES.

Insurance companies may be sued in any county in which their principal place of business is kept, or in which the contract of insurance was made, or in which the loss insured against occurred, or, in case of insurance against death or disability, in the county of the domicile of the insured at the time the loss occurred, or in the county of plaintiff's residence. As used in this section the term "insurance companies" includes nonprofit hospital service corporations and nonprofit medical service corporations which have incorporated under the provisions of chapter 504 or chapter 504A.

Sec. 61. Section 714.23, subsection 2, paragraph b, Code 1991, is amended to read as follows:

b. A refund of ninety percent of the tuition for a terminating student shall be paid to the appropriate agency based upon the ratio of completed number of school days to the total school days of the school term or course. This paragraph applies to those persons offering courses of instruction at the postsecondary level, for profit, whose cohort default rate for students under the Stafford loan program as defined by the United States department of education is more than one hundred ten percent of the national average cohort default rate for that program for that period or six percent, whichever is higher.

Sec. 62. 1990 Iowa Acts, chapter 1233, section 10, unnumbered paragraph 12, is amended by striking the paragraph and inserting in lieu thereof the following:

A student, whose district of residence, for the purposes of school attendance, changes by August 1, 1989, shall be permitted to attend school during the 1989-1990 school year in the district in which the student attended during the 1988-1989 school year if a request to use the open enrollment option under this section is filed by August 1, 1989.

Sec. 63. The Iowa Code editor shall amend the form published in section 52.21, entitled "Voting Machine Return and Tally Sheet" so that the spaces for voting for the governor and lieutenant governor are combined into one space in column four, and present column six becomes column five.

Approved May 2, 1991

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## CHAPTER 98

### COUNTY AND DISTRICT FAIRS

*S.F. 56*

**AN ACT** requiring reporting of county aid by societies organized to administer local fairs.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 174.19, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

**174.19 REPORT OF COUNTY AID.**

A society shall not receive an appropriation from a county under this chapter, until the society submits a financial statement to the county board of supervisors. The statement shall show all expenditures of moneys appropriated to the society from the county in the previous year. The financial statement submitted to the board of supervisors shall include vouchers related to the expenditures.

Approved May 6, 1991

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## CHAPTER 99

### COMMUNITY-BASED CORRECTIONS — ADVISORY COMMITTEES

*S.F. 112*

**AN ACT** relating to the membership on community-based correctional program project advisory committees.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 905.1, subsection 7, Code 1991, is amended to read as follows:

7. "Project advisory committee" means a committee of no more than seven persons which shall act in an advisory capacity to the director on matters pertaining to the planning, operation, and other pertinent functions of each project in the judicial district. The members of the project advisory committee for each project shall be initially appointed by the director from among the general public. Not more than one half of the project advisory committee shall hold